GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

STARRED QUESTION NO:409
ANSWERED ON:18.12.2000
PRIVATE SECTOR IN ROAD CONSTRUCTION
ZORA SINGH MANN

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Government have taken a decision to allow the private sector to invest in road construction work;

(b) if so, whether it has also been decided to collect additional amount upto a definite period from vehicles plying on roads to recover the cost;

(c) if so, whether it is likely to make road transportation costlier and also increase the production cost of industrial and agricultural goods;

(d) if so, the reaction of the Government thereto;

(e) whether the Government propose to consider some other options and check the transportation cost from going up; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE FOR ROAD TRANSPORT & HIGHWAYS (INDEPENDENT CHARGE) (MAJOR GENERAL (RETD KHANDURI, AVSM)

(a) to (f) A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (f) OF THE LOKSABHA STARRED QUESTION NO. 409 FOR ANSWER ON 18.12.2000 ASKEDN BY SHRI ZORA SINGH MANN REGARDING PRIVATE SECTOR IN ROAD CONSTRUCTION.

(a) Yes, Sir. To augment the financial resources required for the Road Sector, one of the methods the Government has approved is the concept of Private Sector Participation for development, maintenance and operation of National Highways through Build, Operate and Transfer (BOT) basis.

(b) In the case of projects taken up under BOT scheme the selected private entrepreneur constructs and maintains the road at his own cost and is allowed to levy, collect and retain fee at the specified rates fixed by the Government from users for a specified concession period after which the facility reverts to the Government.

(c) & (d) Improved roads would reduce vehicle operating costs and journey time, thus resulting in savings to the road users. Toll levied on the National Highway projects under BOT and other schemes is generally less than the savings that accrue to road users.

(e) & (f) Other options adopted for financing of road improvement programme are the budgetary resources, cess collected from sale of petrol and diesel, obtaining external assistance from multilateral and bilateral agencies and market borrowings.